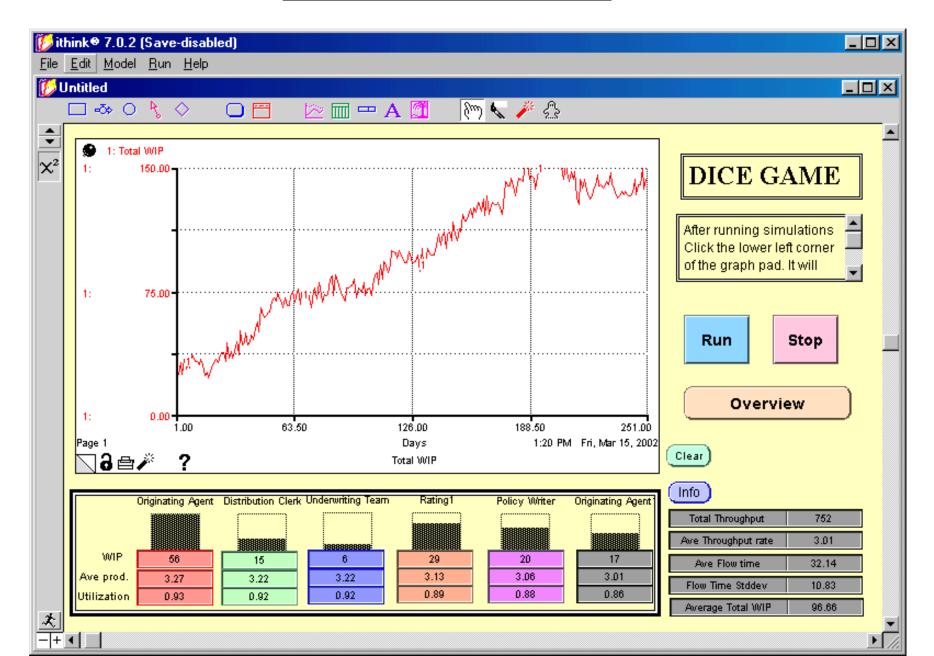
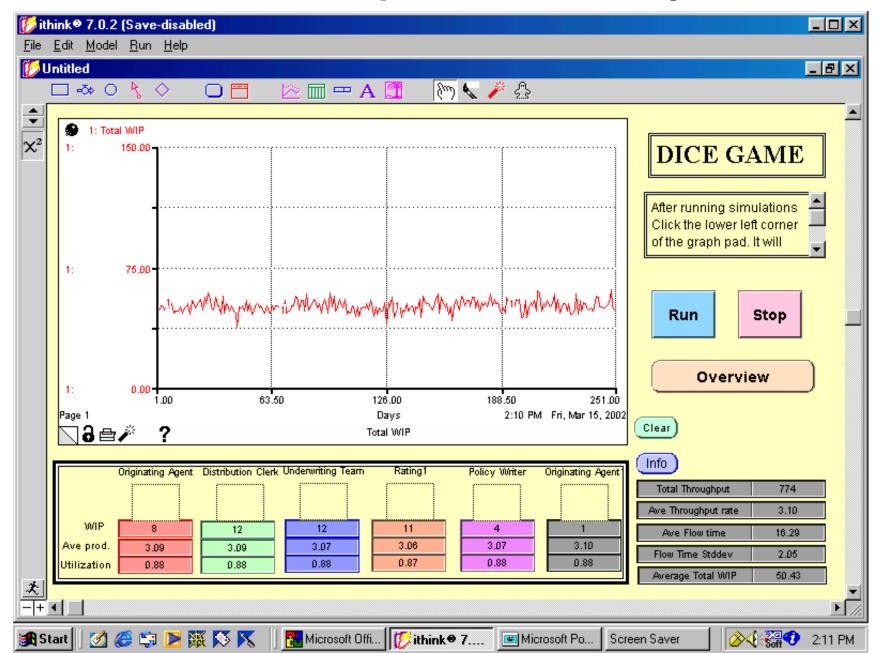


Simulation I: Push



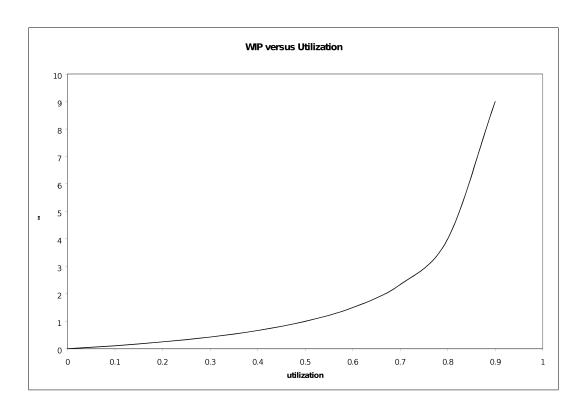


Simulation IIA: Impact of Inventory on Flow



WIP vs. Utilization

Increasing WIP, increases utilization with diminishing returns and also increases Flow Time.



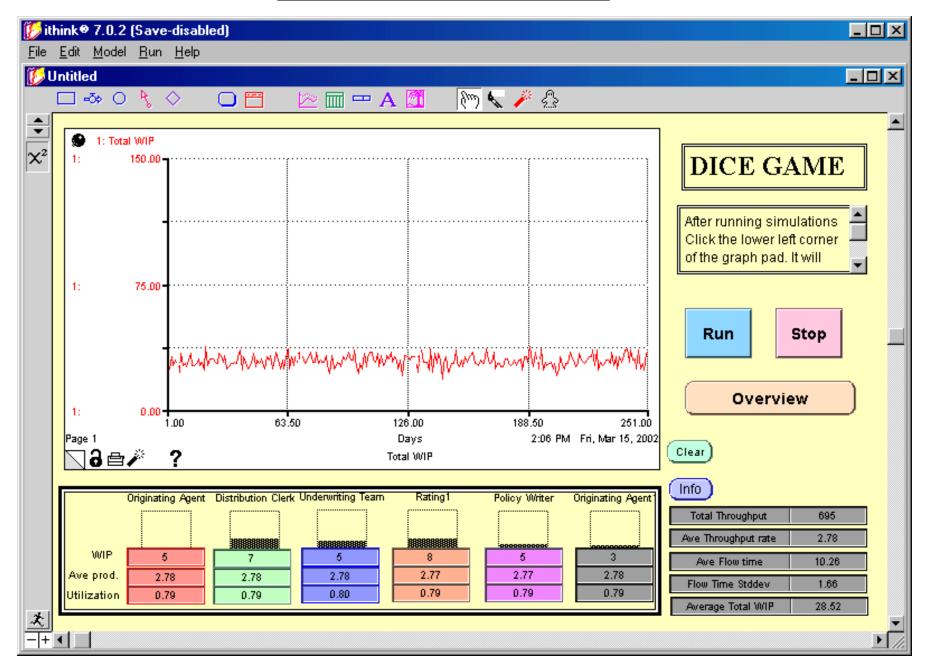
Introduce Pull

How will we control production?

- In a push system
 - Push work is driven by the schedule
 - We use inventory to cushion us against variation.
 - Upstream directives (the schedule) determine what is to be made, and when.
- In a pull system
 - We use capacity to cushion us against variation.
 - Downstream usage (consumption) determines what is to be made, and when.
 - Pull Uses a consumption signal Kanban on what is consumed downstream to replenish upstream based.

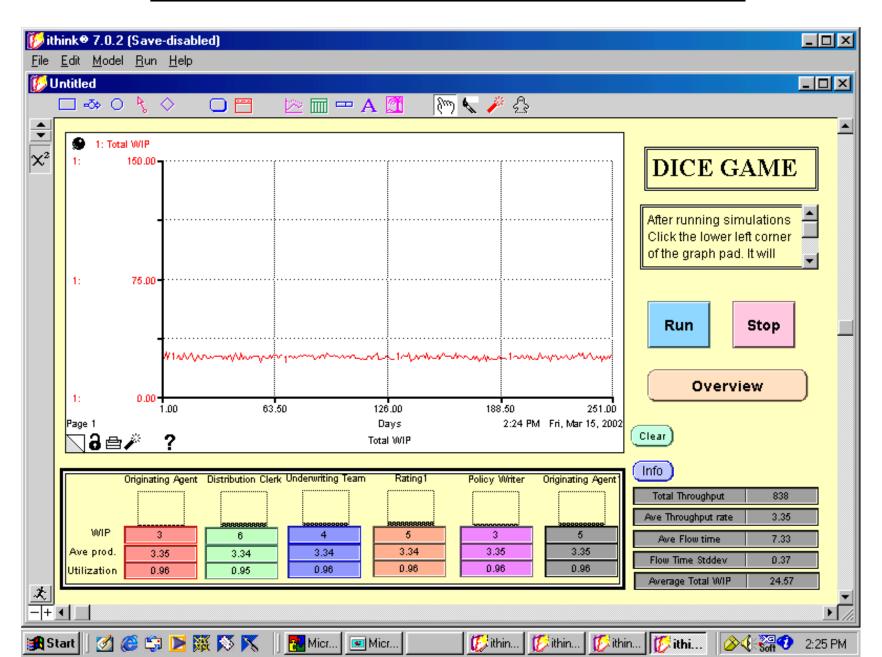


Simulation III: Pull





Simulation IV: Reduced Variation



Return Run #1 Return Run #2	Run	#1	Run	#2	Run	#3	Run	#4
Return Run #3	(Sim	I)	(No	Sim)	(Sim	III)	(Sim	IV)
Teams	Team #1	Team #2	Team #1	Team #2	Team #1	Team #2	Team #1	Team #2
Total Jobs Comp.								
Avg Jobs Comp per Day								
Util @ last Work- Station= <u>Avg Jobs per</u> <u>Day</u> 3.5								
Ending WIP								
Estimated Flow Time = WIP								
Avg Jobs per Day								